



2011 State of the Secretary of State's Office Summary

Introduction

Upon taking office as Michigan's 42nd Secretary of State, Ruth Johnson directed her team to evaluate nearly every aspect of Department of State operations to determine what practices were effective, what could be improved and where costs could be cut.

Business leaders, financial experts and dozens of volunteers joined in the effort to scrutinize department operations. Questions asked during this department-wide review included:

- Can we do it smarter? Better? At less cost? More efficiently?
- Is this in keeping with best business practices?
- Does this promote access to elections and election integrity?
- Is this transparent?
- Are we being accountable to the people we serve?
- And though it's been done a certain way, is that the best practice in our ever-changing environment?

The Department of State takes in \$2.2 billion dollars every year, of which more than 90% goes to pay for roads, schools and other state programs. Operations include 1,400 employees who handle 80,000 transactions each day, 131 branch offices and more than 70 self-service kiosks statewide. The department serves more than seven million drivers, registers 9 million cars annually and administers elections for 7 million registered voters. For many residents, visits to the Secretary of State office may be their only regular interaction with the state. The department is the very "public" face of Michigan state government.

As part of the effort to assess service, a "Secret Shopper" program was created in which volunteers from all walks of life were asked to visit more than 80 branch offices throughout the state – anonymously – and report on what they found. How long were the lines? Was the staff courteous and professional? What was the general appearance of the offices?

The survey found several of the department's busiest branch offices had wait times of between one and three hours. At the same time, the department's branch survey found that the majority of staff was professional, courteous, informed and helpful. Johnson said in her first few months on the job, she has been extremely pleased with the dedication and commitment to excellence by Secretary of State employees.

Goals and Challenges

This administration's goals will be accomplished with internal directive changes and by working with the Legislature on a comprehensive legislative agenda. They include:

- Streamlining operations and reducing wait times at branches.
- Requiring transparency and accountability in all aspects of our operations.
- Fighting for reforms that help safeguard election integrity.

Previous secretaries from Richard Austin to Candice Miller to Terri Lynn Land have all made changes, from advances in technology to the necessary and sometimes painful consolidation of offices.

Today, the Johnson administration faces its own challenges. Staff has been reduced by 25 percent to 2002 levels. Last year, the department lost veteran employees as part of the state's early out program. Moreover, the department must strive to succeed in an unprecedented economic environment and must be in-step with efforts to reduce the size of government.

Our immediate challenges provide an opportunity for improvement. The department has taken some good first steps so far, but there are some major challenges we'll need some time to address.

Challenge: Election Issues

One of this department's most important objectives in the coming year will be to safeguard access to elections and election integrity. Clean and fair elections are simply too important to our democracy and our republic.

According to a 2008 report¹ by the nonpartisan Pew Center on the States, Michigan had an impossible 102.54 percent of eligible voters registered to vote in this state. The study found that despite a Voting Eligible Population of 7,285,960, Michigan actually had 7,470,764 individuals registered for the 2008 election.

In light of that inconsistency and others, this administration is taking action on several issues:

Cleaning up the voter rolls: This month, the department's Bureau of Elections took a huge step forward in identifying thousands of deceased voters still listed on our Qualified Voter File. This was done with the assistance of a nationally recognized change of address vendor. Once each is independently verified, we will work to remove the names of all deceased individuals from the voting rolls and limit the potential for fraud.

Johnson said she is looking forward to working with county, city and township clerks who are dedicated, professional and committed to excellence. Laws must be strengthened to keep the voting rolls clean. For example, about 70,000 residents surrender their driver's license every year when they move out of state. Federal election law, however, does not allow those names to be removed for two federal election cycles.

¹ <http://www.pewcenteronthestates.org/uploadedFiles/ElectionInReviewPDF%20Final.pdf> (page 6)

To help the department move ahead as it seeks reforms, a task force of some of the top election officials in the state was formed to identify key challenges and solutions.

Preventing manipulation of the election system: The Department of State is also working with legislative leaders on a comprehensive reform package to close photo ID loopholes, put teeth in our election laws, get obsolete laws off the books and prevent abuse of the political system.

As the law stands now, a person can register and vote by absentee ballot without ever showing an ID or an affidavit signature—something that is required for voters on Election Day at the polls.

We will stop efforts to manipulate the election system, like the fake Tea Party last year. This department will hold political candidates and committees—on all sides—accountable. Those who fail to comply with campaign finance disclosure laws can't be allowed to walk away with a slap on the wrist.

Ensuring ballot/election security: This must be another key goal in order to preserve the ability to recount elections. As many as one-third of ballots cast in elections subject to recount were not able to be recounted because of improperly sealed ballot containers. In some cases, 100% of the votes in certain jurisdictions could not be recounted. This should not and cannot happen.

To safeguard ballots, the Bureau of Elections will be requiring the use of receiving boards on Election Night so ballot containers can be double-checked to confirm they are properly secured. The department is also working with vendors to provide an immediate quick fix—an inexpensive, easy-to-use device to help properly secure certain ballot containers.

In Michigan, there are 30,000 poll workers who staff 5,200 precincts. The Bureau is striving to improve and ensure consistent training for poll workers on proper procedures through a new DVD and online classes that are being developed and new regional training sessions. The Bureau will also be implementing post-election performance audits and working with local clerks on a continuing education program.

Along with these changes, those in the department will continue to do everything we can to encourage every eligible resident to cast their ballot on Election Day. Secretary Johnson fully supports consolidation of school election dates as a means to improve voter turnout, cut costs and return tax dollars to the class room. She also supports No Reason Absentee Ballots for individuals who personally appear at their local clerk's office and comply with ID requirements.

Challenge: Wait Times

The department's second biggest challenge is outdated technology.

The Secretary of State's Office is still using 1970s computer technology that includes manual data entry and sometimes even paper-and-pencil operations. In 2011, only 7 percent of citizen's transactions are done online. This affects the department across the board, from inefficiencies and inconveniences for our customers to employee morale.

The solution is also clear: the department needs better and more advanced computer technology...which we thought was on the way in the Business Application Modernization or BAM Project.

Over the last five years, the taxpayers of Michigan have invested \$27.5 million in BAM. BAM was supposed to revolutionize the way we do business, reduce branch wait times and offer services online 24/7. Instead, that computer system – which has the potential to move one in every four transactions out of the branches and put them online – has never been operational. Not a single day. Not a single hour. Not a single minute.

BAM has great unrealized potential to improve our customer service. For example, each year the Department of State handles 700,000 change of address transactions alone. With the new computer system, hundreds of thousands of these transactions could be done online to save customers a trip to a branch office. Fewer transactions at the branch “in line” and more transactions on the Internet “on line” will dramatically shorten the wait times at our busiest branches and afford people more convenience.

This failure to deliver would never be tolerated in private industry and will not be tolerated here. The people of Michigan deserve better. Michigan Attorney General Bill Schuette and Gov. Rick Snyder are working with me to remedy this situation as quickly as possible. We are holding the vendor's feet to the fire on this. Initial talks with the vendor have been promising and they have renewed their pledge to bring the project to completion.

In the meantime, the department is making progress in streamlining operations in other ways. Outside of the BAM system, we are trying to pull-ahead individual online services to relieve wait times.

Secretary Johnson has directed staff to come up with a way to allow drivers to obtain new tabs right up through their birthday online. This has the potential to move hundreds of thousands of transactions out of the branches. Presently, drivers who wait too long to order their tabs online are instead forced to go to the branches because their tabs expire on their birthday. The department plans to launch this streamlined process this summer.

Department representatives have met with business, industry and job providers across Michigan to find out how state government can get out of their way so they can help get Michigan back to work. For example, we have met with a rental car company that has to register more than 20,000 cars a year in the branch system – something they could otherwise do online if a program was offered.

We are partnering with businesses and local leaders to share space and reduce brick and mortar costs. Some of our branches are now piloting a new checklist that visitors are given so they can immediately determine if they have the documentation they need for the service they require. This feature should help cut down wait times.

Other changes that have been made to improve customer service involve simple common sense. For years, in a number of branches, wall clocks were hung where customers could not see them. Today, they are eye level so customers can see exactly how long they have been waiting. We will be held accountable.

Challenge: Organ Donation Numbers

The Department of State's third challenge is to improve organ donor registration. Michigan ranks sixth from the bottom of the list nationally for organ donor registration. Michigan is 44th among states for the percentage of donors —despite the fact that 3,000 people in Michigan are waiting for transplants.

Only about 27% of our adult residents are on our organ donor registry. That compares to neighboring states like Wisconsin at 56%, Ohio at 56% and Indiana at 69%. Michigan is even well below the national average of 40%. This must change.

To improve participation in the Michigan Organ Donor Registry (<http://1.usa.gov/ekT0p1>), the Department of State is continuing to explore new approaches and projects in partnership with Gift of Life Michigan, the Michigan Eye-Bank and the Lions Club of Michigan.

What might be the most significant step toward this goal is a new policy established by Secretary Johnson that directs employees, when time permits, to ask customers whether or not they would like to join the donor registry. Previously, there was no consistent policy from branch to branch or even employee to employee for asking customers the question. It is expected this approach will positively impact organ donor registrations in Michigan.

The department has other efforts underway as well. Michigan's standard driver's licenses and personal identification cards have been newly designed. They have additional security features and now also the technology to incorporate a permanent heart logo into the surface of the card. This is a more durable option than the heart stickers previously being used.

Secretary Johnson has created an advisory committee with physicians, lawmakers and organ donation experts to explore innovative, cost effective ways to improve organ donor registration rates. Many of their ideas have been or will be implemented.

Organ donation reminders are being printed on many of our most commonly used forms and applications and the department is creating more of an Internet presence in part to better promote organ donation. We are using social media like Facebook and Twitter to help spread the word about just how important it is for Michigan residents to register.

Staff created the "Restart the Heart" campaign as part of our effort to bring new energy and enthusiasm to registration efforts. Donate Life Month activities during April were also expanded and the department is working with its partners to provide an organ donation fact sheet in branches.

Challenge: More Government Transparency & Accountability

The department is pursuing greater campaign finance disclosure as part of our legislative proposals. One proposal would limit the use of campaign contributions for expenses like legal defense. Another would put teeth in campaign finance laws. Candidates who refuse to file campaign finance reports could face possible forfeiture of their funds under our plan.

Additionally, the department is seeking subpoena power for the Bureau Elections, with court approval, so staff could assist in campaign finance violations investigations. The Bureau is also developing an iPhone application—at zero cost to the state—that will allow people 24-hour access to state campaign finance records.

Successes

In its first three months, the Johnson administration has made significant progress toward its goals.

To establish a strong foundation, ethics training was held for the Department of State's top managers to ensure that everyone is exactly clear on what is and is not acceptable as representatives of state government and servants of the public.

A cash-handling task force was created to ensure the department uses best business practices in dealing with cash transactions.

Johnson unveiled the new standard Michigan driver's licenses and state identification cards that have added security features to improve security and reduce fraud. Offering greater safeguards was necessary to further ensure that cardholders are who they say they are.

Secretary Johnson, within weeks of taking office, agreed to cut the Department of State's general fund budget by \$2.6 million, which accounts for a nearly 20 percent general fund reduction. She has made clear that the department is striving to give Michigan taxpayers the most value for their tax dollars. In fact, to save nearly \$50,000, Johnson directed that the department continue to use surplus stationery and envelopes that have former Secretary Terri Lynn Land's name on them.

The Department of State is consolidating office space to save as much as \$150,000 annually. A cooperative arrangement is also being worked out with Michigan State Police officials for the departments to share office space. A secure T-1 computer line will also be shared, saving \$19,000 per year. The agreement will save tax dollars while assisting with law enforcement needs and providing a police presence in some of our branch offices.

We are also working with the Department of Natural Resources to promote participation in the state parks Recreation Passport program.

In elections, Secretary Johnson issued an administrative order allowing local clerks to reduce the number of ballot styles required to be printed. This move saved \$160,000 in one county in one election alone. The Bureau of Elections also made it easier for local clerks to send ballots to men and women serving overseas.

To save customers time, the department has introduced more Self-Service kiosks and surpassed 34,000 transactions in March—the highest monthly total in the six-year history of the program. Over the first three months of 2011, more than 90,000 self-service transactions have been recorded—an increase of 52 percent over the same period last year.

We are also working with libraries in Michigan to promote our online services, especially as they expand, to provide access to Michigan families without a computer – reportedly one-fourth of Michigan homes.

The department has sought to utilize new technologies to connect our customers with helpful information and services, including Facebook, Twitter, YouTube and Ustream. Video will be offered via our website and Secretary Johnson plans to videoconference via webcam on her computer with branch office regional managers and with local residents when she visits citizen town halls in their communities.

Conclusion

Secretary Johnson has an ambitious agenda and believes that the Department of State can and will do better. While the department faces significant challenges, Johnson is confident her team has the determination and resolve to make critical improvements for the people of Michigan.

The Secretary of State's Office will report back next year to Michigan residents – this is their government and their tax dollars at work – on progress in providing the best possible service at the lowest possible cost.